K&L GATES LLP
One Newark Center, Tenth Floor
Newark, New Jersey 07102
T. 973-848-4000
F. 973-848-4001
Attorneys for Plaintiff
Care One at Hamilton, LLC

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY

Care One at Hamilton, LLC, d/b/a Care One at Hamilton, Plaintiff, v. Avigail Eisenstadt Design Group, LLC, Defendant.	Case No. ________________________ Hon. ________________, U.S.D.J. Hon. ________________, U.S.M.J. **COMPLAINT**

Plaintiff, Care One at Hamilton, LLC, d/b/a Care One at Hamilton ("Plaintiff"), for its complaint against defendant Avigail Eisenstadt Design Group, LLC ("Defendant"), alleges as follows.

THE PARTIES

1. Plaintiff is a limited liability company organized under the laws of the State of New Jersey. Plaintiff's primary business address is 173 Bridge Plaza North, Fort Lee, NJ. Plaintiff owns and operates a facility at 1660 Whitehorse Hamilton Square Road, Hamilton, NJ 08690 (the "Facility"). The Facility is undergoing renovations to convert it from a skilled nursing center to an assisted living facility.

2. Defendant is a limited liability company organized under the laws of the State of New York. Defendant's primary business addresses is 530 Central Avenue, Cedarhurst, NY 11516. Defendant is an interior design firm hired by Plaintiff to provide design and materials,

fixtures, furniture, and equipment for use in the conversion of the Facility from a skilled nursing center into a residential assisted living facility. Upon completion of Defendant's work, the facility would become a multi-unit structure available for residential housing to senior citizens in need of Plaintiff's Assisted Living services.

JURISDICTION AND VENUE

3. Plaintiff is a limited liability company organized under the laws of the State of New Jersey. Its members are citizens of the State of New Jersey.

4. Defendant is a limited liability company organized under the laws of the State of New York. Upon information and belief, all of Defendant's members are citizens of the State of New York and none of its members are citizens of the State of New Jersey.

5. In this action Plaintiff seeks damages for losses it sustained as a result of Defendant's violations of the New Jersey Consumer Fraud Act, and on its causes of action for common law fraud, negligent misrepresentation, breach of contract, and violation of the implied covenant of good faith and good dealing.

6. This Court has subject matter jurisdiction under 28 U.S.C. §1332 because there is complete diversity of citizenship and the amount in controversy exceeds $75,000.00. Plaintiff seeks compensatory, incidental, and consequential damages resulting from delays to Plaintiff's re-opening of the Facility, mandatory treble damages, a refund of moneys paid to Defendant, and attorneys' fees. The amount of the damages sought by Plaintiff exceeds the sum or value of $75,000.00, exclusive of interest and costs.

7. Personal jurisdiction and venue in this district are proper pursuant to 18 U.S.C. § 1965 and 28 U.S.C. § 1391(b) because (1) Defendant has sufficient minimum contacts with the State of New Jersey, (2) Defendant transacts business in the District of New Jersey, and (3) a

substantial part of the events or omissions giving rise to the claim occurred in the District of New Jersey.

FACTS

8. In or around April of 2015, Plaintiff and Defendant engaged in discussions concerning Plaintiff retaining Defendant to provide goods and services in connection with the renovation and conversion of the Facility from a skilled nursing facility into a residential assisted living facility.

9. Throughout the discussions, Plaintiff repeatedly emphasized the importance of the Facility renovations being completed promptly, as Plaintiff planned to open the new assisted living facility on June 22, 2015.

10. Plaintiff began construction to convert the skilled nursing operations at the Facility to assist living services on or about January 19, 2015. All patients receiving skilled nursing services were discharged from the Facility by April 30, 2015, and consequently the Facility was not generating revenue from skilled nursing facility operations while the remainder of the renovation was occurring. Therefore, it was critical that the Facility renovation be completed as quickly as possible to minimize the loss of revenue from the temporary shutdown during the conversion project.

11. On April 20, 2015, David Gottlieb, the Vice President of Purchasing for the Facility renovation, sent an e-mail to Avigail Eisenstadt, principal of Defendant, in which he emphasized the time-critical nature of the conversion project at the Facility: "[T]he most critical project is Hamilton…. Construction is ongoing and we are in desperate need of the material that you specified for this project. Any delay in our scheduled opening date of June 22, 2015, will result in significant financial losses to CareOne…."

12. In a follow-up e-mail to Ms. Eisenstadt dated April 22, 2015, Mr. Gottlieb reiterated the time-critical nature of the project: "As I clearly indicated both in my emails and our conversation, I need to have lead times for all materials at Hamilton immediately. We do not have the luxury of waiting for you to put together information packets we requested 2+ months ago…. Given the critical nature of the Hamilton project, if you are not willing to provide this information immediately, we will have no choice but to hire another design firm to handle this project on an emergency basis."

13. In reliance on assurances from Defendant that Plaintiff's time requirements for the project would be honored, Plaintiff agreed to formalize their relationship and enter into Defendant's standard form agreement previously presented to Plaintiff with minimal edits. Plaintiff and Defendant entered this form agreement or about April 30, 2015 (the "Agreement"). A copy of the Agreement, which was drafted primarily by Defendant, is attached hereto as Exhibit A.

14. Pursuant to the Agreement, Defendant was required to create an interior design for specified portions of the Facility and acquire materials, fixtures, and furnishings for use in the renovation project.

15. Further, to ensure Defendant would accommodate Plaintiff's time requirements, the Agreement provides as follows:

> AE Design Group will order materials needed for the design. Care One will pay a 50% deposit for the materials ordered for Hamilton provided AE Design Group must place the order within 2 business days of the receipt of the deposit or return the funds…. Care One will pay the second 50% when AE Design Group has provided written proof that the goods have been assigned a shipping date to Hamilton."

16. Plaintiff agreed to pay Defendant a design fee of $84,500 and a purchasing fee of $20,000 for Defendant's services under the agreement.

17. On or about June 9, 2015, the parties entered into another agreement (the "Supplemental Agreement") for Defendant to provide new designs consistent with Plaintiff's required revisions to the plans for the Facility. A copy of the Supplemental Agreement is attached hereto as Exhibit B. The Supplemental Agreement did not modify the terms concerning Defendant's obligation under the Agreement to order materials within 2 business days of receiving a deposit of 50% toward the cost of the materials. That obligation remained in full force and effect.

18. In order for Plaintiff to pay the deposit for the materials, it relied upon Defendant to provide information about the cost of the materials. In e-mail correspondence on April 20, 2015, April 22, 2015, August 6, 2015, August 12, 2015, August 26, 2015, August 27, 2015, and September 11, 2015, Plaintiff repeated told Defendant that it was critical to obtain all materials for the Facility renovation as soon as possible. Defendant repeatedly delayed progress on the project by failing to respond to Plaintiff's inquiries about material prices and availability. By failing to provide the cost of the materials, Defendant frustrated the progress of the renovation and caused unnecessary delays.

19. After innumerable unjustified delays, on August 11, 2015, Defendant promised to send Plaintiff the necessary invoice for the materials needed by Plaintiff's construction vendor to continue the project so that Plaintiff could make the required deposit. On August 12, Plaintiff again demanded the invoice so that it could pay the deposit so that Defendant would order the long delayed materials. As of August 27, 2015, Defendant still had not provided the information necessary for Plaintiff to make its 50% deposit so that materials could be ordered by Defendant.

20. After finally receiving the long overdue invoice stating the amount of deposit required, Plaintiff promptly paid Defendant a deposit for 50% of the cost of the materials required for the renovation of the Facility.

21. Notwithstanding Defendant's obligation under the Agreement to order materials within 2 business days of receipt of the deposit, Defendant failed to order the materials timely. Making matters worse, when Plaintiff inquired as to the status of the materials, Defendant specifically advised Plaintiff that the materials would be delivered on the dates promised.

22. Only when repeatedly pressed by Plaintiff did Defendant finally acknowledge, in an e-mail dated September 11, 2015, that the materials would not be delivered on the promised dates. A copy of this e-mail is attached hereto as Exhibit C.

23. Defendant's actions in improperly delaying providing material information about the costs of the materials, failing to order the materials within the contractually agreed upon time frame, and then falsely representing to Plaintiff that the materials had been ordered, constitute unconscionable commercial practices, deception, fraud, false pretenses, false promises and misrepresentation against Plaintiff.

24. Defendant promised to order materials within two business days of Plaintiff paying a 50% deposit on the cost of the materials. Plaintiff relied upon Defendant's promises in choosing to retain Defendant for the project. However, by failing to disclose the amount of time Defendant required to provide information such as pricing and availability for the materials needed to complete the project, and then failing to inform Plaintiff in response to its inquiries that the materials had not been ordered, Defendant knowingly concealed, suppressed or omitted a material fact from Plaintiff, with intent that Plaintiff rely upon same.

25. To date and as a proximate result of Defendant' aforesaid misconduct, Plaintiff incurred an ascertainable loss of money and/or property in the form of past and continuing lost revenue from Plaintiff not being able to operate its new assisted living facility as planned.

26. But for Defendant's misrepresentations and omissions described above, Plaintiff would have either retained a new contractor capable of meeting Plaintiff's time requirements on an emergency basis, or alternatively, it would not have ceased operating as a skilled nursing facility as early as it did. Consequently, Defendant's actions have caused Plaintiff a significant loss of revenue.

27. Plaintiff retained counsel and brings this action to recover damages and/or equitable relief associated with the aforesaid misconduct.

COUNT ONE
AFFIRMATIVE MISREPRESENTATION AND KNOWING OMISSION IN VIOLATION OF THE NEW JERSEY CONSUMER FRAUD ACT

28. Plaintiff repeats all of the allegations contained in the previous paragraphs as if fully set forth herein.

29. Plaintiff is a "person" as defined by N.J.S.A. 56:8-1(d).

30. Defendant is a "person" as defined by N.J.S.A. 56:8-1(d).

31. The goods and services at issue in this case are merchandise as defined by N.J.S.A. 56:8-1(c).

32. The sale of the goods and services to Plaintiff by Defendant was a "sale" as defined by N.J.S.A. 56:8-1(e).

33. Accordingly, under the facts alleged in this complaint, Plaintiff is a consumer entitled to the protection and remedies provided for by the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1, et seq.

34. Defendant and Defendant's agents and/or brokers and/or independent contractors and/or salespeople and/or employees and/or representatives and/or servants and/or workmen engaged in an unconscionable commercial practice, deception, fraud, false pretense, false promise or misrepresentation against plaintiff. As set forth more fully above, among other things, Defendant misrepresented the amount of time required to obtain necessary materials; falsely promised to order all materials within two business days of receiving a 50% deposit; and falsely informed Plaintiff that the required materials had been ordered when in fact they had not.

35. Defendant also knowingly concealed, suppressed or omitted material facts from Plaintiff with intent that Plaintiff rely upon same. As set forth more fully above, among other things, Defendant concealed information as to the amount of time required to obtain materials necessary for the completion of the Facility; withheld material information about the costs of the materials, thereby preventing Plaintiff from timely providing the required 50% deposit; and concealed the fact that the materials had not been ordered when Plaintiff inquired as to the status.

36. The aforesaid misrepresentations were material to the transactions at issue. Indeed, as set forth more fully above, and as Plaintiff repeatedly emphasized in communications with Defendant, Plaintiff's time requirements were critical to Plaintiff's business objectives in converting from a skilled nursing facility to an assisted living facility.

37. Plaintiff in fact reasonably relied upon the aforesaid concealment and/or omissions of material fact to Plaintiff's detriment by, among other things, failing to retain an alternate contractor who was willing and able to meet Plaintiff's time requirements, and also by ceasing operations as s skilled nursing facility sooner that it otherwise would have doe so.

38. As a result of Defendant's aforesaid misconduct, Plaintiff sustained an ascertainable loss of money or property – a loss capable of being calculated with a reasonable

degree of certainty -- including, but not limited to, substantial lost earnings resulting from Plaintiff's inability to timely transition into an assisted living facility after ceasing operations as a skilled nursing facility; as well as the monies Plaintiff paid to Defendant for materials and services in reliance on Plaintiff's misrepresentations and omissions.

39. In light of the aforesaid, Defendant violated N.J.S.A. 56:8-1, et seq.

40. In accordance with the requirements of N.J.S.A. 56:8-20, et seq., within 10 days after the filing of this Complaint, Plaintiff will forward a copy to the Attorney General of the State of New Jersey.

41. By reason of the foregoing, in accordance with N.J.S.A. 56:8-19, Plaintiff is entitled to equitable relief, actual damages, statutory treble damages, attorney's fees and court costs, and such other and further relief as the Court may deem appropriate.

COUNT TWO
VIOLATION OF THE NEW JERSEY CONTRACTORS REGISTRATION ACT AND PER SE VIOLATION OF THE NEW JERSEY CONSUMER FRAUD ACT

42. Plaintiff incorporates by reference the allegations of each and every one of the preceding paragraphs as though fully set forth herein.

43. Under the New Jersey Contractors' Registration Act, every home improvement contract for a purchase price in excess of $500, and all changes in the terms and conditions of the contract, must include, among other things, (1) the registration number of the contractor; (2) a copy of the certificate of commercial general liability insurance of the contractor; and (3) a conspicuous notice regarding the consumer's right to cancel the contract.

44. Neither the Agreement (Ex. A) nor the Supplement Agreement (Ex. B) included any these required elements.

45. Defendant's failure to abide by the requirements of the New Jersey Contractors' Registration Act constitutes a violation of the New Jersey Consumer Fraud Act.

46. In accordance with the requirements of N.J.S.A. 56:8-20, et seq., within 10 days after the filing of this Complaint, Plaintiff will forward a copy to the Attorney General of the State of New Jersey.

47. By reason of the foregoing, Plaintiff is entitled to equitable relief, actual damages, statutory treble damages, attorney's fees and court costs, and such other and further relief as the Court may deem appropriate.

COUNT THREE
COMMON LAW FRAUD

48. Plaintiff repeats all of the allegations contained in the previous paragraphs as if fully set forth herein.

49. In addition to the foregoing causes of action, or in the alternative, Defendant's misrepresentations and omissions amount to common law fraud.

50. More particularly, as set forth more fully above, among other things, Defendant misrepresented the amount of time required to obtain necessary materials; falsely promised to order all materials within two business days of receiving a 50% deposit; and falsely informed Plaintiff that the required materials had been ordered when in fact they had not.

51. As set forth more fully above, Defendant also knowingly concealed, suppressed or omitted material facts from Plaintiff with intent that Plaintiff rely upon same. Among other things, Defendant concealed material information as to the amount of time required to obtain materials necessary for the completion of the Facility; withheld material information about the costs of the materials, thereby preventing Plaintiff from timely providing the required 50% deposit; and concealed the fact that the materials had not been ordered when Plaintiff inquired as to the status.

52. The aforesaid misrepresentations were material to the transactions at issue. Indeed, as set forth more fully above, and as Plaintiff repeatedly emphasized in communications with Defendant, Plaintiff's time requirements were critical to Plaintiff's business objectives in converting from a skilled nursing facility to an assisted living facility.

53. Plaintiff in fact reasonably relied upon the aforesaid concealment and/or omissions of material fact to Plaintiff's detriment by, among other things, failing to retain an alternate contractor who was willing and able to meet Plaintiff's time requirements, and also by ceasing operations as s skilled nursing facility sooner that it otherwise would have doe so.

54. As a result of Defendant's aforesaid misconduct, Plaintiff has sustained damages, including, but not limited to, substantial lost earnings resulting from Plaintiff's inability to timely transition into an assisted living facility after ceasing operations as a skilled nursing facility; as well as the monies Plaintiff paid to Defendant for materials and services in reliance on Plaintiff's misrepresentations and omissions.

55. By reason of the foregoing, Plaintiff is entitled to compensatory damages, punitive damages, and such other and further relief as the Court may deem appropriate.

COUNT FOUR
NEGLIGENT MISREPRESENTATION

56. Plaintiff repeats all of the allegations contained in the previous paragraphs as if fully set forth herein.

57. In addition to the foregoing causes of action, or in the alternative, Defendant's misrepresentations and omissions amount to negligent misrepresentation.

58. More particularly, as set forth more fully above, among other things, Defendant misrepresented the amount of time required to obtain necessary materials; promised to order all materials within two business days of receiving a 50% deposit; and informed Plaintiff that the

required materials had been ordered when in fact they had not. Defendant knew, or should have known with the exercise of reasonable diligence, that these representations were false when made.

59. As set forth more fully above, Defendant also failed to disclose material facts from Plaintiff. Among other things, Defendant failed to provide accurate information as to the amount of time required for it to obtain materials necessary for the completion of the Facility; failed to provide material information about the costs of the materials, thereby preventing Plaintiff from timely providing the required 50% deposit; and failed to timely inform Plaintiff that the materials had not been ordered when Plaintiff inquired as to the status.

60. The aforesaid misrepresentations were material to the transactions at issue. Indeed, as set forth more fully above, and as Plaintiff repeatedly emphasized in communications with Defendant, Plaintiff's time requirements were critical to Plaintiff's business objectives in converting from a skilled nursing facility to an assisted living facility.

61. Plaintiff in fact reasonably relied upon the aforesaid concealment and/or omissions of material fact to Plaintiff's detriment by, among other things, failing to retain an alternate contractor who was willing and able to meet Plaintiff's time requirements, and also by ceasing operations as s skilled nursing facility sooner that it otherwise would have doe so.

62. As a result of Defendant's aforesaid misconduct, Plaintiff has sustained damages, including, but not limited to, substantial lost earnings resulting from Plaintiff's inability to timely transition into an assisted living facility after ceasing operations as a skilled nursing facility; as well as the monies Plaintiff paid to Defendant for materials and services in reliance on Plaintiff's misrepresentations and omissions.

63. By reason of the foregoing, Plaintiff is entitled to compensatory damages, punitive damages, and such other and further relief as the Court may deem appropriate.

COUNT FIVE
VIOLATION OF THE COVENANT OF GOOD FAITH AND FAIR DEALING

64. Plaintiff repeats all of the allegations contained in the previous paragraphs as if fully set forth herein.

65. Plaintiff was in contractual privity with Defendant.

66. Covenants of good faith and fair dealing arise when parties enter into contracts such as those at issue in the instant matter and such covenants in fact arose in the instant matter.

67. At all times relevant hereto, Plaintiff acted in good faith and yet, Defendant failed to act in good faith when rendering performance under the contracts/addendums binding the parties and/or by failing to render timely and/or valid and/or effective performance and/or by failing to render full and complete performance under the warranties/guarantees and/or by concealing or misrepresenting the respective parties' obligations and/or duties under same.

68. Defendant's actions as aforesaid violate the covenants of good faith and fair dealing that arose relative to the transaction and/or any warranties that Defendant issued to Plaintiff.

69. As a result of Defendant' conduct as aforesaid, Plaintiff suffered damages.

COUNT SIX
BREACH OF CONTRACT

70. Plaintiff repeats all of the allegations contained in the previous paragraphs as if fully set forth herein.

71. Plaintiff is in contractual privity with Defendant.

72. Plaintiff performed all of its obligations under the Agreement.

73. Defendant violated the Agreement by failing to perform obligations under same and misrepresenting those obligations to Plaintiff and by failing to render timely performance under same.

74. The aforesaid breach was material in nature.

75. As a result of the aforesaid breach, Plaintiff sustained damages.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests judgment as follows:

a) Compensatory damages;

b) The remedies provided for under any statutes or regulations violated by Defendant as described herein, including but not limited to statutory treble damages and the equitable remedies provided for under such statutes;

c) The relief available to defrauded persons pursuant to N.J.S.A. 2A:32-1, et seq.;

d) Any other applicable consequential, incidental, nominal and expectation damages;

e) Punitive damages;

f) To the extent permissible by statutes, New Jersey Court Rules and the common law, lawful interest, court costs, attorney's fees, and such other and further relief as the Court shall deem equitable and just.

K&L GATES LLP
One Newark Center, Tenth Floor
Newark, NJ 07102
T. 973-848-4000
F. 973-848-4001
Attorneys for Plaintiff
Care One at Hamilton, LLC,
d/b/a Care One at Hamilton;

By: /s/ Rosemary Alito
Rosemary Alito
George P. Barbatsuly

Dated: September 14, 2015

EXHIBIT A

DESIGN GROUP

Avigail Eisenstadt Design Group, LLC
282 West End Avenue
Brooklyn, NY 11235
Phone (718)215-3870, Fax (718) 747-8483
ae@aedesigngroup.com
www.aedesigngroup.com

Contract & Invoice

EFFECTIVE SEPTEMBER 8, 2014

TO: CARE ONE AT HAMILTON
ACCOUNTS PAYABLE
1660 WHITEHORSE HAMILTON SQUARE ROAD
TRENTON, NJ 08690
609-586-4600

FOR:
Interior Design and Purchasing Agent Services

Job Description:
Interior Design & Finish Selection for Renovations to:

Lobby with Custom Features..$16,000
Vestibule
Admissions Lounge
Admissions Office

3 Harmony Village Units on First Floor..........................$30,000
Corridors
Resident Rooms – 2 Schemes
Resident Bathrooms
Public Bathrooms
Lounges
Dining Rooms
Country Kitchens

AL Unit on First Floor..$15,000
Resident Rooms – 2 Schemes
Resident Bathrooms
Public Bathrooms
Offices
Dining Room
Lounge

Outdoor Courtyard...$1,500

Second Floor – Complete...$22,000
Resident Rooms – 2 Schemes
Corridors
Lounge with Library
Game Room
Conference Room
Offices
Gym
Dining Room
Bistro
Lounge
Beauty Salon
Employee Pantry

AE DESIGN GROUP

Design Specification includes Flooring, Wall Finishes (Paint, Wallpaper) Wall Protection, Handrails, Lighting, Moldings, Artwork, Furniture, Millwork & Soft Goods.

Price includes 2 design revisions.

Quantities for materials will be given to AE Design by Contractor. AE Design Group should review quantities to ensure that amount is in keeping with the design and not place orders that are clearly inappropriate in quantity. AE shall not be responsible for providing initial quantities or errors made by the Contractor.

AE Design Group will purchase and track materials for the above. Once deliveries are signed for on-site, , AE Design Group is not liable for the whereabouts or condition of materials.

AE Design Group will order materials needed for the design. Care One will pay a 50% deposit for the materials ordered for Hamilton provided AE Design Group must place the order within 2 business days of the receipt of the deposit or return the funds (provided that Care One acknowledges that orders placed on 4/28/15 are deemed timely made). AE Design will produce a copy of the order (or other evidence that the order was placed) to Care One as soon as possible. Care One will pay the second 50% when AE Design Group has provided written proof that the goods have been assigned a shipping date to Hamilton.

AE Design Group's pricing for materials must remain confidential and except for disclosure to a party's affiliates, employees, agents, lawyers, accountants, independent contractors (collectively "Permitted Parties"), cannot be disclosed to any persons outside of this contract, including but not limited to Contractors, Vendors & Clients. In no event shall a Permitted Party directly or indirectly (i) disclose that AE is able to obtain goods at a particular price to a vendor or contractor or (ii) disclose AE's pricing or purchase materials outside of this contract or use AE's pricing to negotiate with a known AE vendor.

Accepted by: [signature]

Date: 4/30/15

Design Fee: **$84,500**

Purchasing Fee: **$20,000**

Make all checks payable to Avigail Eisenstadt Design Group, LLC.

EXHIBIT B

DESIGN GROUP

5/27/15

Care One at Hamilton
1660 Whitehorse Hamilton Square Rd.
Hamilton Township, NJ 08690

Change Order Form

Revisions as change of use

New Design:

- Theater
- General Store
- Offices
- Laundry Rooms – 1st and 2nd floor back of house design
- Pantry – 1st floor back of house design
- Room in corner - 1st floor back of house design
- Charting Room - 1st floor back of house design
- Wellness Center – 2nd floor back of house design
- 207 Medical Records - 2nd floor back of house design

Revision:

- Family Dining (previously AL dining)
- Conference Room (previously lounge)
- Dining (revise layout)

Above changes will be billed at our hourly rate of $195 per hour. We estimate the new designs and revisions to take 30 hours and agree to cap our time to effectuate the revisions specified in this change order to 40 hours. This estimate and cap does not include addressing any additional requests. Please sign your acceptance below.

Avigail Eisenstadt Design Group, LLC • 141-40 Union Turnpike, Flushing, NY 11367
Phone: (718) 215-3870 • Fax: (718) 747-8483 • Email: ae@aedesigngroup.com • Website: www.aedesigngroup.com

DESIGN GROUP

A deposit of $2500 is due on acceptance.

All bills sent will be due within 10 days of receipt.

Care One at Hamilton agrees that, notwithstanding any other contracts at issue between AE Design Group and Care One at Hamilton, it will treat this change order as a "standalone" agreement and not effectuate any offset or similar remedies with respect to amounts due per this change order.

Accepted by: Lugo
Name: Alberto Lugo
Title: Exec VP & Counsel

Date: 6/9/2015

Avigail Eisenstadt Design Group, LLC • 141-40 Union Turnpike, Flushing, NY 11367
Phone: (718) 215-3870 • Fax: (718) 747-8483 • Email: ae@aedesigngroup.com • Website: www.aedesigngroup.com

EXHIBIT C

From: Malky Haimoff <malky@aedesigngroup.com>
Sent: Friday, September 11, 2015 5:16 PM
To: Michael Regno
Cc: Brent Edmonds; Rick Melnyk; aviva; Adina Moskowitz; Avigail Eisenstadt; Rob Edmonds; Tami Plawes; David Gottlieb; Paul Senat; Andrew Fritz; Toya Casper
Subject: Re: Missing items. And past due deliveries

Hi Michael,

I haven't had a chance to go through your list but it seems to me that these dates were for orders had they been placed by 8/24th, as noted on that schedule. However, we did not receive the funds from Care One on time to place the orders by then.

Once we received the funds, we immediately began to place the orders but this delay required a new round of lead times as the some materials was no longer in stock. Manufacturers had to fit our orders into their production schedules. As this was the week before Labor Day, several vendors were away and while we reached out to them to send payment and process the orders, some orders were not confirmed immediately.

We are in the process of compiling the confirmed ship dates. Some items shipped already and for those I will provide delivery information so you can locate them. A some of the flooring is shipping out on Monday bu I am confirming which ones and when the rest will ship out.

As for the Wolf Gordon Scuffmaster paint -- we generally don't provide paint. Are you not able to source this item?

Thank you,

Malky Haimoff
Project Coordinator

AE
DESIGN GROUP

AE Design Group
PLEASE NOTE OUR NEW ADDRESS:
530 Central Avenue
Cedarhurst, NY 11516

Phone: 718-215-3870 x100
Fax: 718-747-8483
Email: malky@aedesigngroup.com

On Fri, Sep 11, 2015 at 12:38 PM, Michael Regno <mvregno@gmail.com> wrote:
Hi Malky
Please find below a list of all materials still needed for completion of Hamilton Care One.
> quite a bit of materials are past due, as per your schedule.
> all materials are priority.
2nd FL

Corridor
> Acrovyn CS 305 mushroom
> Handrail cs 305 mushroom
> 80 pedistal cs 305 mushroom. (added quantity)
> ceiling lights mesh industrial semi flush brushed nickel **Due 9/4**
> wall base and Qtr rnd johnsonite 22 pearlcb
10/19
Resident rooms scheme 2
> accent wallpaper/bed wall Arte monsoon 75407 **Due 9/4**
> ceiling lights Michi flush mount brushed nickel
> accent tile Lazer marble christalo glass mosaic glossy matte taupe **Due 9/8**
> floor tile Lazer marble metro walnut urban wood **Due 9/8**
> floor grout supertek country grey **Due 9/8**
> wall grout supertek white **Due 9/8**
> tile cap bracket Lazer marble L bracket 12mm chrome **Due 9/8**
> vanity light consumers-Minka Lavery glass note 2 light **Due 9/11**
Public bathrooms
> wall tile Lazer marble white subway beveled **Due 9/8**
> accent tile Lazer marble Belcrk dusk shadows/ tumbled pebbles 3x12 **Due 9/8**
> floor tile Lazer marble clay olive **Due 9/8**
> floor grout supertek country grey/ wall grout supertek white **Due 9/8**
> tile cap bracket Lazer marble L bracket chrome **Due 9/8**
> vanity lights Minka Lavery glass note 2 light **Due 9/11**
Lounge
> wallpaper Arte manakin 89015 **Due 9/4**
> wall base and quarter round Johnsonite 22 pearlcb 10/19
Lounge with library
> Acrovyn CS 934 pearl 9/17
> wall base and Qtr rnd RWDCT-27 mistwg 10/19
Dining
> Acrovyn CS 196 fawn 9/17
> wall base and Qtr rnd johnsonite 11 canvaswb 10/19
> floor tile 1 Mannington spacia ss5w2536 9/21
> floor tile 2 Mannington spacia ss5w2548 9/21
> sconces Regina Andrews sinuous metal sconce gold leaf finish **there is a tracking number on this item please advise as to who signed for it, I can not find on site.**
> ceiling lights Regina Andrews Parisi an sun chandelier. **there is a tracking number on this item please advise as to who signed for it, I can not find on site.**
Bistro Cafe
> wallpaper Arte leather roundrels 47200 **Due 9/1**
> floor tile Mannington spacia ss5w2548 **Due 9/9**
> wall base and Qtr rnd johnsonite 22 pearlcb 10/19
> sconces George Kovacs ringlets wall sconce chrome white **Due 9/4**
Game room
> wallpaper wolf Gordon G9273388 **Due 9/4**
> wall base and Qtr rnd johnsonite 29 moonrock 10/19
> ceiling lights Johnathan Adler parker flush mount nickel **Due 9/4**
> sconces Johnathan Adler parker sconce nickel **Due 9/4**
Beauty salon

> floor tile Mannington spacia ss5w2550 Nordic oak **Due 8/27 8/28**
> wall base and Qtr rnd johnsonite RWDCT 27 mist 10/19
Gym
> floor tile Mannington spacia ss5a2617 metropolis ice **Due 8/27 8/28**
General store
> floor tile Mannington spacia ss5w2333 cellar oak 9/21
> wall base and Qtr rnd johnsonite 22 pearlcb 10/19
Offices
> carpet Mannington commercial 43808 light grid descension 9/23
> wall base and Qtr rnd johnsonite 27 mist 10/19
Back of house laundry wellness center and medical records
> floor tile Mannington spacia ss5a3610 platinum **Due 8/27 8/28**
> cove base burke137 pearl 9/14

1st FL AL
Corridor
> wall base and qtr rnd 160 lf johnsonite #29 moonrock
Lobby
> inside and outside corners for cs 410 brushed silver handrail **not shipped**
> stair treads and landing Burke flooring ascend lvt20bwb-2367 medium oak **Due 9/4**
> desk tile Lazer marble 2x2 metal squares. **No date**
> fireplace tile and grout. **Why was it delivered to warehouse 8/25?**
> elevator paint color Wolfe Gordon scuff master sm11082 **No date of order or delivery.**
Admissions and closing office
> wall base and Qtr rnd johnsonite 27 mist 10/19
> ceiling light possini euro design double organza 16" wide chrome finish style #t9756 10/19
First floor offices
> carpet durkan 7929 liquid silver **Due 9/8**
> carpet durian Romulus md001 949 Arion **Due 9/8**
A.L Corridor
> ceiling fixture plc lighting ethen 3 light semi flush mount 12159-pc polished chrome
A.L resident rooms
> Mannington ss5w2524 weathered oak **No order or delivery date**
> ceiling lights Michi flush mount 24 10/15
> wall base and Qtr rnd johnsonite 27 mist 10/I9
Kitchenette between arts and crafts and employee break room
> wall base and Qtr rnd johnsonite 29 moonrock
Theater room
> wallpaper color and design arras cd2arr18 licorice 9/21
> acoustic wall covering trikes aca-10 onyx black 9/14
> carpet tile 1 interface online 103788 pepper 10/8
> carpet tile 2 interface online 103791cloud 10/8
> carpet tile 3 interface offline 104336 pepper cloud
Back of house 1st floor
> floor tile Mannington spacia ss5a3620 zinc **Due 8/27 8/28**
> cove base burke 168 bluish white 9/14

Please respond as to whether these products have been ordered, need to be ordered, have shipped, need to be shipped, and when I can physically have these missing items on site.
This is urgent, I need complete answers to all the bullet points asap. I am still working on the

harmony village 1st floor missing materials. I will forward asap.

Thank you
Michael Regno E.C.I
2013107885
mvregno@gmail.com

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